

HONEY BUN (1982) LIMITED

MINUTES OF THE ANNUAL GENERAL MEETING HELD

AT THE COURTLEIGH HOTEL & SUITES, 85 KNUTSFORD BOULEVARD, KINGSTON 5

ON WEDNESDAY, MARCH 26, 2025, AT 10 A.M.

Directors present:

Herbert Chong (Executive Chairman)
Michelle Chong (Chief Executive Officer/Director)
Daniel Chong (Deputy Chief Executive Officer/Director)
Wayne Wray (Non-Executive Director)
Charles Heholt (Non-Executive Director)
Paul Moses (Non-Executive Director)

Directors absent:

Yaneek Page

Special Invitees:

Maxine Coultman-Thomas (BDO Chartered Accountants)
Sophia McFarlane (BDO Chartered Accountants)
Paula Cameron (Financial Controller – Honey Bun)

Paula Graham-Haynes (Corporate Secretary)

1. CALL TO ORDER

The Chairman called the meeting to order at 10.05 a.m. which commenced with a prayer by Mrs. Nashauna Lalah, General Manager, Honey Bun Foundation. He extended a welcome to all present and introduced the Directors and special invitees.

3. QUORUM

It was confirmed that a quorum of Shareholders was present, so the Chairman therefore declared the meeting open for business.

4. NOTICE

The Shareholders of the Company agreed that they had received the Notice calling the meeting for the prescribed period set out in the Articles and agreed that it could be taken as read.

5. APPROVAL OF MINUTES

There being no amendments, the minutes for the Annual General Meeting dated March 6, 2024, were approved on a motion by Mr. Lanzel Bloomfield and seconded by Ms. Marva Gilmore.

6. CHAIRMAN'S REMARKS

Mr. Herbert Chong reported that the financial year ending September 30, 2024, marked another significant period of success for Honey Bun, with revenue climbing by 13% over the previous year and gross profit margins by 3%. These achievements were driven by Honey Bun's continued commitment to operational efficiencies. Additionally, the Company took a bold and strategic step toward fulfilling the vision of becoming a leader in high-quality product manufacturing, serving both the local and international markets.

It was noted that the pre-tax profit declined by 4% to \$273.1m, impacted by additional costs associated with IFRS 16 lease recognition for the Angels plant development, leading to a \$31.1m rise in finance expenses.

Chairman spoke of the expansion project at Angels in Spanish Town of almost 60,000 sq. ft, where Honey Bun is finalizing plans to move a few of its production lines to increase capacity on that line and create more space at the current location to increase space to grow of the remaining lines.

The Chairman advised that Honey Bun ended the year in a strong financial position.

7. CHIEF EXECUTIVE OFFICER'S REPORT

Prior to giving the results for the year 2023/24, the Chief Executive Officer began by reminding the stakeholders of the Company's mission - "LEAD, ACHIEVE AND SERVE".

Mrs. Michelle Chong said that the Company received record-breaking sales of \$3.8b surpassing sales of the previous year of \$3.4b. Exports increased by 12% and Operating Expenses by 2% year over year.

The financial performance for 2024 were shared.

Mrs. Chong mentioned that intangible assets include Good Will recognized on the purchase of the Swirls brand. Swirls is in the Half-Way-Tree Transport Centre and another outlet will be opened in the New Kingston Business Centre. It is a retail bakery theatre where the preparation of the pastries and sandwiches can be viewed.

She added that the Company was a recipient of the JSE/PSOJ Corporate Governance Award for the sixth consecutive year, the winner of the Corporate Disclosure & Investor Relations Award for the third consecutive year and the Overall Junior Market winner.

The Honey Bun Foundation continues to focus on Small to Medium-Size Enterprises supported by talented Advisors. She added that the Jamaica Manufacturers & Exporters Association renewed their Memorandum of Understanding with the Foundation in offering the Advisory Business model to its members. Mrs. Chong implored those in the private sector to join Honey Bun in funding the Foundation's back-office support model for SMEs.

For the first quarter of 2025, Honey increased sales by 10% achieving over \$1b for the quarter.

The stakeholders applauded Mr. Daniel Chong who it was announced that he would be promoted from Deputy Chief Executive Officer to Chief Executive Officer later down in 2025. He responded that he was gracious for the opportunities provided and knowledge received from the Chairman and CEO. He expressed appreciation to all stakeholders for their continued support and promised to uphold the mission of the Company.

8. AUDITORS' REPORT

The Audited Accounts was presented by Mrs. Maxine Coultman-Thomas of BDO Chartered Accountants.

9. QUESTIONS AND ANSWERS

NAME	QUESTIONS/ANSWERS ON REPORTS	RESPONSE BY	RESPONSES
Karine Tape	What do the investments represent?	P. Cameron	Private bonds and shares owned in other Companies. The increase in interest expense was due to IFRS in the Angels facility project.
Michael Hendricks	There seem to be issues with collecting receivables.	P. Cameron	Receivables have increased due to Aging. The Company now has a capable Collector. There are also plans to expand the Receivables Department.
Annela McFarlane	How is the Foundation funded?	M. Chong	It is funded by Honey Bun and we look forward to other private sectors contributing this year to the back office .
Wesley Thomas	What strategies does Honey Bun have in place to address the tariffs being enforced? Any solar panels at the new facility? Mr. Thomas would like to see the Mandeville container improved to an outlet.	M. Chong	Will diversify markets. There are plans for solar energy after the Company moves into the facility.
Nicola Burrough	Are there any water harvesting plans for the new facility?	Daniel Chong	Yes, A few months after the facility is operational.
Lawrence Nicholson	The Company was commended for upholding integrity and honesty and is encouraged to continue to give this priority before profits.		
Muriel Bailey	It was noted that the Chairman stated that the Company has hired over 600 employees. However in the Financial Statements, 420 was indicated.	M. Chong	420 represented staff directly employed to the Company. Others are contracted through Agencies. Payroll Services under Admin Costs relate to the Contract Companies' charges.

Wesley Thomas	Explain the Foreign Exchange Losses.	P. Cameron	This happens when an invoice is received at one rate and payment made at a different rate. It also happens when the dollar devalues.
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10. RESOLUTIONS:

Resolution 1

To Receive and Approve the Directors' Report and the Audited Accounts for the Financial Year ended September 30, 2024

To consider and (if thought fit) pass the following resolution:

THAT the Board of Directors' Report and the Audited Accounts for the year ended September 30, 2024 be received and approved.

On the motion proposed by the Chairman, the abovementioned resolution was put to the vote, approved by Mr. Wesley Thomas and seconded by Ms. Paula Cameron.

Resolution 2

To Re-appoint Directors Retiring by Rotation

To consider (and if thought fit) pass the following resolution:

THAT the Board of Directors re-appoint Paul Moses and Charles Heholt, who have retired by rotation in accordance with the Articles of Incorporation and, being eligible, offer themselves for re-election as Directors.

On the motion proposed by the Chairman, the abovementioned resolution was put to the vote, approved by Ms. Daphne Drysdale and seconded by Ms. Ursula Williams.

Resolution 3

To Fix the Remuneration of the Directors

To consider (and if thought fit) pass the following resolution:

THAT the Board of Directors be authorized to fix the remuneration of the Directors of the Company.

On the motion proposed by the Chairman, the abovementioned resolution was put to the vote, approved by Mr. Livingston Young and seconded by Mrs. Nashauna Lalah.

Resolution 4

To Appoint the Auditors

To consider and (if thought fit) pass the following resolution:

THAT the Board of Directors be authorized to appoint the Auditors of the Company.

On the motion proposed by the Chairman, the abovementioned resolution was put to the vote, approved by Mr. Livingston Young and seconded by Ms. Paula Cameron.

Resolution 5

To Fix the Remuneration of the Auditors

To consider and (if thought fit) pass the following resolution:

THAT the Board of Directors be authorized to fix the remuneration of the Auditors of the Company.

On the motion proposed by the Chairman, the abovementioned resolution was put to the vote, approved by Mr. Livingston Young and seconded by Ms. Ursula Williams

Resolution 6

To Ratify Dividends

To consider and (if thought fit) pass the following resolutions:

THAT the dividend of \$0.13 per share paid on February 21, 2024, to shareholders on record as at February 7, 2024 be ratified.

On the motion proposed by the Chairman, the abovementioned resolution was put to the vote, approved by Mr. Wesley Thomas and seconded by Mrs. Nashauna Lalah.

Resolution 7

THAT the dividend of \$0.03 per share paid on June 12, 2024, to shareholders on record as at May 30, 2024 be ratified.

On the motion proposed by the Chairman, the abovementioned resolution was put to the vote, approved by Ms. Nicola Burrough and seconded by Ms. Paula Cameron.

11. TERMINATION

The Chairman advised that the minutes of the Annual General Meeting would be available on the Company's website (www.honeybunja.com).

The shareholders who were interested in receiving a tour of the new facility in Angels were invited to leave their contact details.

There being no other matters for discussion, the meeting was terminated at 11.38 a.m.



Herbert Chong, Executive Chairman
March 26, 2025